

**CITY OF SAN ANTONIO AVIATION DEPARTMENT
DBE PROGRAM UNDER 49 CFR PART 26**

This DBE Program supersedes guidance issued by the operating administrations under former Part 23. It does not address the separate DBE Program for airport concessionaires, which shall be administered in accordance with 49 CFR Parts 23 and 26.

DBE PROGRAM

Definitions of Terms

The terms used in this Program have the meanings defined in 49 CFR 26.5.

Objectives /Policy Statement (26.1, 26.23)


The City of San Antonio Aviation Department (hereafter known as the City) has established a Disadvantaged Business Enterprise (DBE) Program in accordance with regulations of the U.S. Department of Transportation (DOT), 49 CFR Part 26. The City has received Federal financial assistance from the Department of Transportation, and as a condition of receiving this assistance, the City has signed an assurance that it will comply with 49 CFR Part 26.

It is the policy of the City to ensure that DBEs, as defined in Part 26, have an equal opportunity to receive and participate in DOT-assisted contracts. It is also our policy:

1. To ensure nondiscrimination in the award and administration of DOT-assisted contracts;
2. To create a level playing field on which DBEs can compete fairly for DOT-assisted contracts;
3. To ensure that the DBE Program is narrowly tailored in accordance with applicable law;
4. To ensure that only firms that fully meet 49 CFR Part 26 eligibility standards are permitted to participate as DBEs;
5. To help remove barriers to the participation of DBEs in DOT-assisted contracts; and
6. To assist the development of firms that can compete successfully in the market place outside the DBE Program.

Ms. Lisa Brice has been designated as the DBE Liaison Officer (hereafter referred to as "DBELO"). In that capacity, DBELO is responsible for implementing all aspects of the DBE Program. Implementation of the DBE Program is accorded the same priority as compliance with all other legal obligations incurred by the City in its financial assistance agreements with the Department of Transportation.

The City has disseminated this policy statement to the FAA and all the components of our organization. We have distributed this statement to DBE and non-DBE business communities that perform work for us on DOT-assisted contracts by way of City Ordinance via public announcements, including policy statements in each request for bids, request for proposals, etc.


Frank R. Miller, A.A.E.
Aviation Director
City of San Antonio Aviation Department

**CITY OF SAN ANTONIO
AVIATION DEPARTMENT
DBE PROGRAM**

Nondiscrimination (26.7)

The City will never exclude any person from participation in, deny any person the benefits of, or otherwise discriminate against anyone in connection with the award and performance of any contract covered by 49 CFR Part 26 on the basis of race, color, sex, or national origin.

In administering its DBE Program, the City will not, directly or through contractual or other arrangements, use criteria or methods of administration that have the effect of defeating or substantially impairing accomplishment of the objectives of the DBE Program with respect to individuals of a particular race, color, sex, or national origin.

DBE Program Updates (26.21)

The City's Aviation Department will continue to carry out this Program until all funds from DOT financial assistance have been expended. It will provide to DOT updates representing any significant changes in the Program.

DBE Liaison Officer (DBELO) (26.25)

We have designated the following individual as our DBE Liaison Officer:

Ms. Lisa Brice
9800 Airport Blvd.
San Antonio, TX 78216
(210) 207-3505
lisa.brice@sanantonio.gov

In this capacity, DBELO is responsible for implementing all aspects of the DBE Program and ensuring that the City complies with all provisions of 49 CFR Part 26. DBELO has direct, independent access to San Antonio International Airport's Aviation Director and CEO, Frank Miller, concerning DBE Program matters. DBELO has a staff of two Sr. Management Analyst, and one Contract Coordinator, as well as access to a full-time secretarial staff and two staff attorneys. An organizational chart displaying the DBELO's position within the Aviation Department is found in Attachment B to this Program.

DBELO is responsible for developing, implementing and monitoring the DBE Program, in coordination with other appropriate officials. Duties and responsibilities include the following:

1. Gathers and reports statistical data and other information as required by DOT.
2. Reviews third party contracts for compliance with this Program.
3. Ensures that bid notices and requests for proposals are available to DBEs in a timely manner.
4. Assures that DBE goals are included in construction and professional services contracts (both race-neutral methods and contract-specific goals).
5. Analyzes the progress toward goal attainment and identifies ways to improve progress.
6. Participates in pre-bid and pre-construction meetings.
7. Advises the Director on DBE matters and achievement.
8. Determine contractor compliance with good faith efforts.
9. Provides DBEs with information and assistance in preparing bids, obtaining bonding and insurance.
10. Plans and participates in DBE training seminars.

11. Is an Alternate Board Member of the South Central Texas Regional Certification Agency, and assists in expediting certification of DBEs according to the criteria set by DOT and acts as liaison to the Uniform Certification Process in the State of Texas.

12. Provides outreach to DBEs and community organizations to advise them of opportunities.

[Note: The South Central Texas Regional Certification Agency (SCTRCA) assists the DBELO with various aspects of the program, i.e., maintaining and providing an updated Directory of DBEs, acting as the certifying agency for the DBE Program, etc. The SCTRCA follows all federal guidelines as mandated by 49 CFR Part 26].

Federal Financial Assistance Agreement Assurance (26.13)

The City has signed the following assurance, applicable to all DOT-assisted contracts and their administration:

The City shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of any DOT assisted contract or in the administration of its DBE Program or the requirements of 49 CFR Part 26. The City shall take all necessary and reasonable steps under 49 CFR Part 26 to ensure nondiscrimination in the award and administration of DOT assisted contracts. The City's DBE Program, as required by 49 CFR Part 26 and as approved by DOT, is incorporated by reference in this agreement. Implementation of this program is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the City of its failure to carry out its approved Program, the Department may impose sanctions as provided under Part 26 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. 3801 et seq.).

DBE Financial Institutions (26.27)

It is the policy of the City to investigate the full extent of services offered by financial institutions owned and controlled by socially and economically disadvantaged individuals in the community, to make reasonable efforts to use these institutions, and to encourage prime contractors on DOT-assisted contracts to make use of these institutions. We have made the following efforts to identify and use such institutions: compiling a listing of banking and/or financial institutions, and referring firms in need of financial assistance to the appropriate source. We have identified, among others, the following institutions and agencies: South Texas Business Fund, Accion Texas, SBA, Frost Bank, Bank Of America, Wells Fargo, Broadway Bank. Information on the availability of such institutions can be obtained from the DBE Liaison Officer, or by calling South Texas Business Fund at (210) 207-3932.

Required Contract Clauses (26.13, 26.29)

Contract Assurance

The City of San Antonio Aviation Department will ensure that the following clause is placed in every DOT-assisted contract and subcontract:

The contractor or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of DOT-assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy, as the City of San Antonio deems appropriate.

Prompt Payment

The City of San Antonio Aviation Department will include the following clause in each DOT-assisted prime contract:

The prime contractor agrees to pay each subcontractor under this prime contract for satisfactory performance of its contract no later than 15 days from the receipt of each payment the prime contractor receives from the City. The prime contractor agrees further to return retainage payments to each

subcontractor within 15 days after the subcontractor's work is satisfactorily completed. Any delay or postponement of payment from the above referenced time frame may occur only for good cause following written approval of the City. This clause applies to both DBE and non-DBE subcontractors.

Directory (26.31)

The South Central Texas Regional Certification Agency (SCTRCA) maintains a directory identifying all firms eligible to participate as DBEs. The directory lists the firm's name, address, phone number, date of most recent certification, and the type of work the firm has been certified to perform as a DBE. The directory is updated monthly. The Aviation Department and DBE Staff have access to the Directory via the secured Internet site and copies are available to contractors at pre-bid meetings. The Directory is also available as follows: by contacting the Airport DBE Staff (210) 207-3450 or the SCTRCA (210) 227-4722 or www.sctrca.org.

Over concentration (26.33)

The City has not identified any over concentration of any type of work that would unduly burden the opportunities of non-DBE firms to participate in airport specific work. Should such be identified in the future, measures to correct the effects of over concentration will be presented to DOT-FAA for consideration.

Business Development Programs (26.35)

The City provides business assistance in the form of start-up guidance, technical assistance, informational resources, business workshops and seminars, help in bidding on federal, state, and local government contracts, specialized business counseling, licensing and permitting assistance. Sole Proprietors, Corporations, and Partnerships from Bexar County and the surrounding 12-county area wishing to receive assistance through any or all of our programs may contact the DBE Staff (210) 207-3450. Interested parties may obtain further information at www.sanantonio-airport.com.

Monitoring and Enforcement (26.37)

The City will bring to the attention of the Department of Transportation any false, fraudulent, or dishonest conduct in connection with the program, so that DOT can take the steps (e.g., referral to the Department of Justice for criminal prosecution, referral to the DOT Inspector General, action under suspension and debarment or Program Fraud and Civil Penalties rules) provided in 26.107. The City also will consider similar action under its own legal authorities, including responsibility determinations in future contracts. In accordance with the City's Default Remedies and Violations of Contract Clauses, a contractor that willfully violates or refuses to observe any of the conditions, provisions or stipulations of City of San Antonio contracts or the specifications, or is executing the same in bad faith or not in accordance with the terms thereof the Contractor will be ordered to discontinue all work under the contract and/or the contract will be terminated. Additionally, one general provision in City of San Antonio contracts requires contractors to comply with all Federal Regulations.

Quotas (26.43)

The City does not use quotas in any way in the administration of this DBE Program.

Setting Overall Goals (26.45)

The City's Aviation Department will annually establish overall goals if the City anticipates that it will award prime contracts exceeding \$250,000 in FAA funds in a Federal fiscal year in accordance with the 2-Step Process specified in 49 CFR Part 26.45. If the City does not anticipate awarding more than \$250,000 in FAA funds in prime contracts within the Federal fiscal year, the Aviation Department will not develop an overall goal. However, the existing DBE Program will remain in effect and the City will seek to fulfill the objectives outlined in 49 CFR Part 26.1 (See page 1 for the objectives the DBE Program.)

Process:

The City will annually establish overall goals in accordance with the 2-Step Process specified in 49 CFR Part 26.45. The first step is to determine the relative availability of DBEs in the San Antonio International Airport (SAT) market area, "base figure" (See Attachments C & D for the market area). Step 2 is to adjust the "base figure" percentage from Step 1 so that it reflects as accurately as possible the DBE participation the City would expect in the absence of discrimination based on past participation (Attachment E), a disparity study and/or information about barriers to entry or past competitiveness of DBEs on projects. The goal methodology, to include Method, Amount and Breakdown of Overall Goal, is shown in Attachment F.

The Aviation Department will adjust the estimated breakout of race-neutral and race-conscious participation as needed to reflect actual DBE participation [see 26.51(f)] and will track and report race-neutral and race-conscious participation separately.

For reporting purposes, race-neutral DBE participation includes, but is not necessarily limited to, the following:

- DBE participation through a prime contract a DBE obtains through customary competitive procurement procedures;
- DBE participation through a subcontract on a prime contract that does not carry a DBE goal;
- DBE participation on a prime contract exceeding a contract goal; and
- DBE participation through a subcontract from a prime contractor that did not consider a firm's DBE status in making the award.

The City's Aviation Department will submit its overall goal to DOT on August 1 of each year that it plans to award prime contracts exceeding \$250,000 in FAA funds in a Federal fiscal year.

Following this consultation, the Aviation Department will publish a notice of the proposed overall goal, informing the public that the proposed goal and its rationale are available for inspection during normal business hours at the City's Aviation Department for 30 days following the date of the notice, and informing the public that the City and DOT will accept comments on the goal for 45 days from the date of the notice. Normally, the City will issue this notice by June 1 of each year that it is required to submit a goal. The notice will include addresses to which comments may be sent and addresses (including offices and web site) where the proposal may be received. The FY2010 Overall DBE Goals and Methodology will be distributed to the entire bidder's list for comment and posted on the San Antonio Airport System's website for a minimum of 30 days.

Our overall goal submission to DOT will include a summary of information and comments received during this public participation process and our responses.

The City will begin using its overall goal on October 1 of each year, unless it has received other instructions from DOT.

Means for Meeting Contract Goals (26.51)

The City will meet the maximum feasible portion of its overall goal by using race-neutral means of facilitating DBE participation. Race-neutral DBE participation includes any time a DBE wins a prime contract through customary competitive procurement procedures, is awarded a subcontract on a prime contract that does not carry a DBE goal, or even if there is a DBE goal, wins a subcontract from a prime contractor that did not consider its DBE status in making the award (e.g. a prime contractor uses a strict low bid system to award sub contracts).

The Aviation Department will use RN measures to increase DBE participation:

- Arranging solicitations to facilitate DBE and other small businesses participation (e.g. unbundling large contracts to make them more accessible to small businesses, encouraging prime contractors to subcontract portions of work that they might otherwise perform with their own forces);
- Providing services to help DBEs and other small businesses to obtain bonding, insurance and financing;
- Providing technical assistance and other services; and
- Ensuring distribution of DBE Directory, through print and electronic means, to the widest feasible universe of potential prime contractors.

The City will use contract goals to meet any portion of the overall goal the City does not project being able to meet using race-conscious means. Contract goals are established so that, over the period to which the overall goal applies, they will cumulatively result in meeting any portion of our overall goal that is not projected to be met through the use of race-conscious means.

The City will establish contract goals only on those DOT-assisted contracts that have subcontracting possibilities. The City need not establish a contract goal on every such contract, and the size of contract goals will be adapted to the circumstances of each such contract (e.g., type and location of work, availability of DBEs to perform the particular type of work).

The City will express its contract goals as a percentage of the total amount of a DOT-assisted contract.

Good Faith Efforts (26.53)

Information to be submitted

The City treats bidder/offers' compliance with good faith effort requirements as a matter of responsiveness. Each solicitation for which a contract goal has been established will require all bidders/offers to submit the following information at the time of bid, however item (5) also known as the Letter of Intent is to be submitted no later than 5 days after notification of apparent award.

1. The names and addresses of DBE firms that will participate in the contract;
2. A description of the work that each DBE will perform;
3. The dollar amount of the participation of each DBE firm participation;
4. Written and signed documentation of commitment to use a DBE subcontractor whose participation it submits to meet a contract goal;
5. Written and signed confirmation from the DBE that it is participating in the contract as provided in the prime contractor's commitment;
6. If the contract goal is not met, evidence of good faith efforts; and

Demonstration of good faith efforts

The obligation of the bidder is to make good faith efforts. The bidder can demonstrate that it has done so either by meeting the contract goal or documenting good faith efforts. Examples of good faith efforts are found in Appendix A to Part 26.

The following personnel are responsible for determining whether a bidder/offers who has not met the contract goal has documented sufficient good faith efforts to be regarded as responsible: **DBE Staff (San Antonio International Airport, 9800 Airport Blvd. San Antonio, TX 78216).**

The City's Aviation Department will ensure that all information is complete and accurate and will document the bidder's good faith efforts before it commits to the performance of the contract by the bidder.

Administrative Reconsideration

The City of San Antonio Aviation Department has set forth in the DBE Program that within **5 working days** of being informed by the City that it is not responsive because it has not documented sufficient good faith efforts, a bidder/offerer may request reconsideration. As part of this reconsideration, the bidder will have the opportunity to provide written documentation or argument concerning the issue of whether it met the goal or made adequate good faith efforts. The bidder will have the opportunity to meet in person with our reconsideration official, **Aviation Director, Mr. Frank R. Miller, A.A.E., 9800 Airport Blvd., San Antonio Texas, 78216**, to discuss the issue of whether it met the goal or made adequate good faith efforts to do. The City will send the bidder a written decision on reconsideration, explaining the basis for finding that the bidder did or did not meet the goal or make adequate good faith efforts. Mr. Miller, who is an official who does not normally take part in the original good faith determination, will make the final decision on reconsideration. The result of the reconsideration process is not administratively appealable to the Department of Transportation.

Good Faith Efforts When a DBE is Replaced on a Contract

The City will require a contractor to make good faith efforts to replace a DBE that is terminated or has otherwise failed to complete its work on a contract with another certified DBE, to the extent needed to meet the contract goal. The City will require the prime contractor to notify the DBE Staff immediately of the DBE's inability or unwillingness to perform and provide reasonable documentation.

In this situation, the City will require the prime contractor to obtain approval of the substitute DBE prior to beginning work and to provide copies of documentation of good faith efforts.

If the contractor fails or refuses to comply in the time specified, our contracting office will issue notice of non-compliance to the contractor. Failure to comply with this article and/or to correct any deficiencies is considered a material breach and could subject contractor to any of the penalties listed in the City of San Antonio Ordinance No. 77758. Also, such failure may be considered a default for which City may terminate the agreement.

Counting DBE Participation (26.55)

The City will count DBE participation toward overall and contract goals as provided in 49 CFR 26.55.

We will not count the participation of a DBE subcontractor toward a contractor's final compliance with its DBE obligations on a contract until the amount being counted has actually been paid to the DBE.

Certification (26.61 - 26.91)

The City will use the services of the SCTRCA, which uses the certification standards of Subpart D of Part 26 and the certification procedures of Subpart E of Part 26 to determine the eligibility of firms to participate as DBEs in DOT-assisted contracts. To be certified as a DBE, a firm must meet all certification eligibility standards. The City will make its certification decisions based on the facts as a whole.

Process

The City uses the certification application form and documentation requirements found in *Attachment H* of this Program. For information about the certification process or to apply for certification, firms need to contact The South Central Texas Regional Certification Agency (SCTRCA), 3201 Cherry Ridge St., Bldg C-319, San Antonio, TX 78230. Phone: (210) 227-4722.

Should the City propose to recommend the removal of a DBE's certification, the SCTRCA will follow procedures consistent with 49 CFR Part 26.87 of the Federal Rules and Regulations.

A firm that is decertified may not reapply for certification for at least 12 months from the date of the final decision. A copy of the decertification notice will be forwarded to the TUCP database repository.

Unified Certification Program (UCP)

During 2001, representatives from Texas' six certifying agencies met several times to discuss the implementation of a Unified Certification Program. The TUCP has been revised as of 3/2007. The San Antonio International Airport has a memorandum of agreement (MOA) with the Texas UCP. Additionally, the City has an agreement with the SCTRCA to administer all certifications under 26.89.

Certification Appeals

Any firm or complainant may appeal our decision in a certification matter to DOT. Such appeals may be sent to:

Department of Transportation, Office of Civil Rights, Certification Appeals Branch, 400 7th St., SW,
Room 5414, Washington, DC 20590

The City and SCTRCA will promptly implement any DOT certification appeal decisions affecting the eligibility of DBEs for its DOT-assisted contracting (e.g., certify a firm), if DOT has determined that our denial of its application was erroneous.

"Re-certifications"

The City will refer any firm or contractor in need of recertification to the South Central Texas Regional Certification Agency for processing. For details, see Attachment H, "Certification Procedures".

"Statement of No Change" Affidavits and Notices of Change

All DBEs are required to inform the SCTRCA, in a written affidavit, of any change in its circumstances affecting its ability to meet size, disadvantaged status, ownership or control criteria of 49 CFR Part 26 or of any material changes in the information provided with the DBE's application for certification.

All owners of all certified DBEs are required to submit, on the anniversary date of their certification, a "no change" affidavit meeting the requirements of 26.83(j). The text of this affidavit is the following:

"I, _____ (name of contact/owner) hereby swear that the foregoing statements are true and correct and that I am including all material necessary to identify and explain the operations and ownership of _____ (Name of Firm). Further, I agree to provide current, complete, and accurate information regarding actual work performed on the project, the payment thereof, and any proposed changes of the foregoing arrangements. This information will be provided through the prime contractor or directly to the SCTRCA in the absence of a prime contractor. I also agree to permit the audit and examination of books, record, and files of the named firm. I understand that any material misrepresentation will be grounds for contract termination, de-certification, and for initiating action under federal or state law concerning false statements."

DBEs are required to submit with this affidavit documentation of the firm's size and gross receipts.

SCTRCA will notify all currently certified DBE firms of these obligations. This notification will inform DBEs that to submit the "no change" affidavit, their owners must swear or affirm that they meet all regulatory requirements of Part 26, including personal net worth. Likewise, if a firm's owner knows or should know that he or she, or the firm, fails to meet a Part 26 eligibility requirement (e.g., personal net worth), the obligation to submit a notice of change applies.

Personal Net Worth

All disadvantaged owners of applicants of currently certified DBEs, whose eligibility under Part 26 that the SCTRCA reviews, are required to submit a statement of personal net worth upon the Certification review of each firm. Attachment H sets forth the personal net worth form, and the documentation respondents must submit with it.

Information Collection and Reporting

Bidders List – 26.11 (c)

The Aviation Department maintains a bidder's list and records consisting of information about all DBE and non-DBE firm that bid or quote on DOT-assisted contracts. The Aviation Department is in the process of consolidating this information into single database with the understanding that the purpose of this requirement is to allow use of the bidder's list approach to calculating overall goals. The Aviation Department will collect this information in the following ways:

- In contracts over \$200,000 the City requires a clause in the RFP requiring prime bidders to report the names, addresses, DBE status, of all firms.
- The City maintains a bidder's list, which monitors all firms that contract with the City.
- The bidder's list includes the name, address, contact person, DBE status, and NAICS codes. Presently, we do not ask for the annual gross receipts for DBE and Non-DBE firms on bid documents; however, we plan to begin collecting this information through the SCTRCA Office.
- The Aviation Department also helps monitor a database of Certified Minority/Women-Owned and Disadvantaged Business Enterprises. The main database is maintained and revised by the SCTRCA Office.
- The information will be prepared and maintained in the table provided.

Monitoring Payments to DBEs

The City will require prime contractors to maintain records and documents of payments to DBEs for three years following the performance of the contract. Any authorized representative of the City or DOT will make these records available for inspection upon request. This reporting requirement also extends to any certified DBE subcontractor.

The City will keep a running tally of actual payments to DBE firms for work committed to them at the time of contract award.

The City will perform interim audits of contract payments to DBEs. The audit will review payments to DBE subcontractors to ensure that the actual amount paid to DBE subcontractors equals or exceeds the dollar amounts stated in the schedule of DBE participation.

Reporting to DOT

The City will report DBE participation to DOT annually using the new Uniform Report of Awards and /or Commitments and Payments Form.

Confidentiality

The City will safeguard from disclosure to third parties information that may reasonably be regarded as confidential business information, consistent with Federal, state, and local law. Notwithstanding any contrary provisions of state or local law, we will not release personal financial information submitted in response to the personal net worth requirement to a third party (other than DOT) without the written consent of the submitter.

Attachment F

Overall DBE Goals and Methodology

for the
San Antonio International Airport

For the period:
October 1, 2009 to September 30, 2010

Updated September 29, 2009

**Overall Goals and Methodology
San Antonio International Airport
FY 2009-2010**

OVERALL GOALS (\$26.45)

Amount of Goal

San Antonio International Airport's overall goal for FY 2010 (October 1, 2009 to September 30, 2010) is **17%. It is anticipated that seventeen percent (17%) of the DOT-assisted contracts will be expended with DBE contractors.**

Given the amount of DOT-assisted contracts that San Antonio International Airport (SAT) expects to let during the 2009-10 fiscal year, which is approximately \$22,915,000, SAT has set a goal of expending 17% or \$3,895,550 with DBEs. Of the five (5) contracts included in the calculation of the goal, one (1) is new and the rest are revised continuation or cancelled and rebid projects.

Method

The San Antonio International Airport anticipates the award of seven (5) contracts that will utilize federal funds during the period covered by the overall goal. The following is a summary of the method used to calculate this goal:

Step 1: The method used to calculate the relative availability of DBEs for Step 1 in this process is §26.45 (c) (1) DBE Directories and Census Bureau Data. The base figure is determined by dividing the total DBE firms in the local market area by the total of all firms (both compiled according to the relevant NAICS project codes). Except where noted, the local market, defined as Bexar County, Texas, is used in the base figure and the total, since the majority of the DBE contractors, participating in SAT's federally funded projects, are located in Bexar County, Texas.

The Texas Unified Certification Program ("TUCP") was created in response to a mandate to implement a "one stop" certification process for DBEs. Six certifying agencies have agreed to perform the certification of DBEs within the State of Texas. However, the database for maintaining the list of DBEs certified by all six agencies is not fully populated. It was decided not to use the TUCP database, at this time, for determining the availability of all ready, willing, and able firms, as such contracts may attract statewide interest.

CONSTRUCTION PROJECTS

Extend RW 21 (Pavement, Lighting, and ILS) (Construction Project)

NAICS	Anticipated Construction Types	Number of DBEs	All Firms	Availability
	Heavy Construction			
237310	Highway, street & bridge const.	328	748	44%
327320	Ready-mix concrete manf.	6	504	1.2%
238910	Site Preparation Contractors	256	2069	12%
237110	Water, sewer & pipeline const	265	1114	7%
237120	Gas distribution pipeline	16	433	4%
327332	Concrete Pipe Manfg	1	31	2.3%
	Transportation			
484220	Specialized Freight, Trucking	161	1859	9%
	TOTALS	1033	6758	15.3%

The construction estimate for this project is \$19,100,000 and the transportation or hauling portion of this project is \$900,000. The base figure is as follows:

Base Figure = $\frac{\text{Number of DBE's in local market area}}{\text{Number of All Available Firms}}$

Base Figure = 1033 / 6758 = 15.3%

Weighted		DBE	TOTAL DBE/TOT	WEIG	
Construction	95.5%	1243	9511	.1306	12.47
Transportation	4.5%	161	1859	.0866	.3897

12.86 Adj Goal

Airport Perimeter Road Rehabilitation (Construction Project)

NAICS	Anticipated Construction Types	Number of DBEs	All Firms	Availability
	Heavy Construction			
237310	Highway, street & bridge const.	328	748	44%
327320	Ready-mix concrete manf.	6	504	1.2%
238910	Site Preparation Contractors	256	2069	12%
324121	Asphalt Paving Mix Manfg	7	79	9%
	Transportation			
484220	Specialized Freight, Trucking	161	1859	9%
	TOTALS	758	5259	14.4%

The construction estimate for this project is \$532,730 and the transportation or hauling portion of this project is \$17,270. The base figure is as follow:

Base Figure = $\frac{\text{Number of DBE's in local market area}}{\text{Number of All Available Firms}}$

Base Figure = 758 / 5259 = 14.4%

Weighted		DBE	TOTAL DBE/TOT	WEIG	
Construction	96.9%	597	3400	.1755	17%
Transportation	3.1%	161	1859	.0866	.2684 17.3%

Airfield Lighting Control System (ALCS)
(Construction Project)

NAICS	Anticipated Construction Types	Number of DBEs	All Firms	Availability
	Light Construction			
238210	Electrical Contractors	371	4612	8%
335129	Other Lighting equip. Manf.	0	3	0%
327320	Ready-mix concrete Manfg	6	504	1.2%
	TOTALS	377	5119	7.4%

The construction estimate for this project is \$150,000 and the manufacturing portion of this project is \$600,000. The base figure is as follow:

Base Figure = $\frac{\text{Number of DBE's in local market area}}{\text{Number of All Available Firms}}$

Base Figure = $377 / 5119 = 7.4\%$

PROFESSIONAL SERVICES

DRT – Design Review & Inspection
(Professional Services Project)

NAICS	Anticipated Professional Types	Number of DBEs	All Firms	Availability
541310	Architectural Services	162	1537	10.5%
541330	Engineering Services	547	4597	12%
541380	Testing Laboratories	60	587	10.2%
	TOTALS	769	6721	11.4%

Base Figure = $\frac{\text{Number of DBE's in local market area}}{\text{Number of All Available Firms}}$

Base Figure = $769 / 6721 = 11.4\%$

Airport Perimeter Road Rehabilitation – Design
(Professional Services Project)

NAICS	Associated Professional Types	Number of DBEs	All Firms	Availability
541330	Engineering Services	547	4597	12%
541370	Surveying, Mapping	109	777	14%
TOTALS		656	5374	12.2%

Base Figure = $\frac{\text{Number of DBE's in local market area}}{\text{Number of All Available Firms}}$

Base Figure = $656 / 5374 = 12.2\%$

Data Source: (DBEs in Local Market Area) *The South Central Texas Regional Certification Agency Database for Bexar County, September 2003 (Attachment C)*
(All Available Firms) *2007 County Business Patterns Database for Bexar County, U.S. Census Bureau (Attachment D).*

Following the procedures to add weight factors based on the construction estimate, an additional weight factor will be applied to each project's base figure goals based on their preliminary project budget estimates. The weight factor is determined by the estimated amount of the project divided by the total of all anticipated projects.

Contract	Amount of Estimated	% of Total Estimate/ Weight Factor	Project Cost	Project Base Figure
1 – Construction	\$20,000,000	87.3%	12.86%	11.22%
2 – Construction	\$550,000	2.4%	17.3%	.42%
3 – Construction	\$750,000	3.3%	7.4%	.24%
4 – Prof. Services	\$1,450,000	6.3%	11.4%	.72%
5 – Prof. Services	\$165,000	.70%	12.2%	.09%
Total	\$22,915,000	100%	61.16%	12.69%

The Overall Base Figure is calculated by multiplying each contract's project goal by its weight factor, and adding them together.

$$\text{SAT BASE FIGURE} = (12.86 \times .8727) + (17.3 \times .0240) + (7.4 \times .0327) + (11.4 \times .0632) + (12.2 \times .0072) =$$

$$\text{SAT BASE FIGURE } 11.22 + .42 + .24 + .72 + .09 = 12.69\%$$

$$\text{SAT BASE FIGURE FOR FY 2009-10} = 13\%$$

Step 2: This step is intended to adjust the "Base Figure" percentage from Step 1 so that it reflects as accurately as possible the DBE participation the recipient would expect in the absence of discrimination.

The historic overall DBE goals accomplished at SAT in recent years were examined relative to the above consideration. Specifically, the annual "Uniform Report of DBE Awards or Commitments and Payments" (Uniform Report), supplemented by contractual closeout information, are summarized in the table below.

Note: Based on the annual "Uniform Report of DBE Awards or Commitments and Payments" Forms for Fiscal Years 2004-2005, 2006-2007 and 2007-2008 the historical DBE achievements for SAT was **8.49%, 11.8% and 20.6%** respectively. A summary is provided below and details of the historical DBE achievements for SAT are provided in Attachment E.

**SAT Historical DBE Accomplishments for DOT-Assisted Contracts
Summary of All AIP Work FY 05 to FY 08**

Report Period	Total DBE Percent Achieved	No. of DBE Firms	Projects
2007-2008	20.6%	15	ATP, Extend Runway 21 & Taxiway N, Taxiway R PH2, Skyplace Drainage Ph1 & Ph2, Terminal Airfield Security, Airfield Electrical & Lighting Upgrade

2006-2007	11.8%	10	Sky Place Re-Alignmnet, Taxiway Romeo, Acoustical Treatment Program, Airfield Lighting, Airside & Utilities, RON
2004-2005	8.49%	4	Perimeter Road Reconstruction, RON Apron, Residential Acoustical Treatment Program

As part of the Step 2 process, past year achievements were assessed for similar projects and similar contract types in the current goal-setting period and are listed in the following table:

**SAT Historical DBE Accomplishments for DOT-Assisted Contracts
Pavement, Building, Electrical, & Electronic Work Only**

Report Period	Total Contract Value (\$)	Total DBE Contract Value (\$)	Total DBE % Achieved	No. of DBEs	Historical Projects Considered (Refer to Attachment E)
2007-2008	\$20,564,984	\$4,234,103	20.6%	15	ATP, Extend Runway 21 & Taxiway N, Taxiway R PH2, Skyplace Drainage Ph1 & Ph2, Terminal Airfield Security, Airfield Electrical & Lighting Upgrade
2006-2007	\$17,981,102.21	\$3,045,810	17%	8	Taxiway D, RON, Airfield Signage Upgrade, Noise Monitoring
2004-2005	\$3,297,497.13	\$1,056,638.96	32.04%	6	Taxiway D, RON, Airfield Signage Upgrade, Noise Monitoring System
Totals	\$41,823,583.34	\$8,336,551.96	81.04%	10	
Median			20.6%		Median Accomplishment for Similar Projects Proposed in FY 2003-04

The historical median percentage for DBE accomplishment for similar projects over the last three years is 32.04%. When we compare this historical median with the proposed base figure for FY 2009-2010, we determine that our adjusted overall goal is 35% using the following formula:

(Base figure) 13% + (Historical median) 20.6% = 33.6% divided by 2 = 16.8% or 17% (Adjusted Overall Goal)

SAN ANTONIO ADJUSTED OVERALL GOAL = 17%

Factors

As noted above, the main factor influencing the adjustment to the Baseline DBE Goal is past DBE participants in similar projects anticipated for FY 2009-10. The San Antonio International Airport historically has DBE participation above that calculated under the Part 26 guidelines. However, changes to the local economy could possibly impact this accomplishment, and therefore it is reevaluated annually. For the record, we did not identify any other quantitative evidence of barriers, which we should consider in making adjustments under the Step 2 process.

Breakout of Estimated Race-Neutral and Race-Conscious Participation

The City will meet the maximum feasible portion of its overall goal by using race-neutral means of facilitating DBE participation. The San Antonio International Airport uses the following race-neutral means to increase DBE participation:

- DBELO's monthly outreach and orientation sessions through the City of San Antonio Economic Development Department's Small Business Outreach Program.
- Workshops, presentations and conferences attended by DBELO to explain and encourage business activity at the Airport.

- Involvement in the San Antonio and Bexar County business community, and in local Chambers of Commerce.
- Small Business Coordinating Council membership.
- DBELO participates in networking opportunities with local, state and federal agencies that provide contracting opportunities to the small business owner.
- DBELO is a board member on the South Central Texas Regional Certification Agency.
- Revising web-site to ensure accurate information regarding solicitations.

The City estimates that, in meeting the overall adjusted goal of 17%, it will obtain the entire goal through race-neutral measures.

The following is a summary of the basis of our estimated breakout of race-neutral and race-conscious DBE participation.

**SAT Historical DBE Goals & Accomplishments for DOT-Assisted Contracts(*)
Assessment of Race-Neutral and Race-Conscious Factors for FY 2006-07**

Report Period	DBE % Overall Goals	Total DBE % Achieved	DBE % Exceeding Goals
2007-2008	19%	20.6%	1.6%
2006-2007	35%	11.8%	0%
2004-2005	21%	8.49%	0%
Median*	21%	11.8%	1.6%

*Attachment E – Using FAA prorated dollar calculations, table considers differences between overall goals & DBE percentages achieved for FYs 05,07 and 08 noting in column four DBE percentages exceeding the goals. These percentages are to be used in determining race-neutral & race-conscious division for the FY 2009-10 goals. Although 49 CFR Part 26 requires the use of a median to determine the race neutral & race conscious division, this method does not apply since we are using three years of history. Therefore, we will calculate the division by using the average.

The City's FY 2004-05 overall DBE goal was set at 21%. For this period, the City accomplished 8.49% in DBE participation with a 5.84% ($21\% - 8.49\% = -12.51\%$) difference resulting between the goal and the DBE percentage accomplishment. It is assumed that the -12.51% difference, in order to reach the goal, race conscious means would be utilized.

The City's overall FY 2006-07 DBE goal was set at 35%. The City accomplished 11.8% in DBE participation for this Fiscal Year. Noting the difference between the goal and the accomplishment, it is assumed that of the -23.2% accomplishment, ($35\% - 11.8\% = -23.2\%$) the difference would be achieved through contract goals.

During FY 2007-08, the City's overall DBE goal was set at 19%. For that period the City accomplished 20.6% in DBE participation with a difference between the goal and the accomplishment equaling 1.6% ($19\% - 20.6\% = 1.6\%$). The goal was met and exceeded by using race neutral means.

The median in assessing race neutral and race conscious factor for FY 2010 will be determined based on the percentages that the DBE goal was achieved or not achieved. In FY 2007/89 the DBE goal was achieved using race neutral means.

- 17% (Adjusted Overall Goal) = 11.8% (Race-Neutral Provisions) and not Race Conscious Provisions.

The Aviation Department will adjust the estimated breakout of race-neutral and race-conscious participation as needed to reflect actual DBE participation (see 26.51(f)) and will track and report race-neutral and race-conscious participation separately.

Public Participation

- The DBELO meets with the Small Business Advocacy Committee monthly and provides presentations with the goal setting process, and up-coming and on-going airport projects. Provides information related to any issues and/or obstacles encountered by DBE subcontractors.
- The DBELO is exploring the opportunities for consultation with other entities to obtain information concerning the availability of DBEs, and the effects of discrimination on opportunities, as well as barriers encountered by DBEs on federally funded projects.
- Consultation with DBEs, Non-DBEs, and general contractors. The DBELO has strived to educate DBEs, non-DBEs, and general contractors with the requirements of the regulations, as well as the goal setting process, and taking suggestions to improve the airport's DBE Program.
- Public notice consists of placing advertisements, showing the overall goal and inviting comments on our website. Additionally, we will provide our goal-setting methodology for comment and review to the following organizations: Bexar County SMWBE Advisory Committee, City of San Antonio Small Business Advocacy Committee, San Antonio Chapter of Associated General Contractors of America, San Antonio National Association of Women in Construction, Hispanic Contractors Association de San Antonio, Austin Black Contractors Association, Asian Construction Trades Association, as well as all the local chambers of commerce. If we receive comments that warrant a change in our goal development, we will submit an adjusted goal.

Contract Goals

The City will use contract goals to meet any portion of the overall goal the City does not project being able to meet using race-neutral means. Contract goals are established so that, over the period to which the overall goal applies, they will cumulatively result in meeting any portion of our overall goal that is not projected to be met through the use of race-neutral means.

The City will establish contract goals only on those DOT-assisted contracts that have subcontracting possibilities. The City need not establish a contract goal on every such contract, and the size of contract goals will be adapted to the circumstances of each such contract (e.g., type and location of work, availability of DBEs to perform the particular type of work).

The City will express its contract goals as a percentage of the total amount of a DOT-assisted contract.